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ISN/CPI FOR MNEW  
HQ SOUTHCOM ALSO FOR POLAD  
TREASURY FOR MMALLOY AND LARCHIN  
TREASURY/FINCEN FOR MPASTORA  
NSC FOR JCARDENAS AND JSHRIER  
COMMERCE FOR 4431/MAC/WH/MCAMERON

E.O. 12958: DECL: 11/14/2017  
TAGS: [PARM](#) [PREL](#) [MNUC](#) [ECON](#) [EFIN](#) [VE](#)  
SUBJECT: DEMARCHE DELIVERED: FATF STATEMENT AND GUIDANCE ON  
IRAN

REF: A. STATE 149648  
[1](#)B. CARACAS 1867  
[1](#)C. BOWEN-PASTORA E-MAIL 11/15

Classified By: Economic Counselor Andrew N. Bowen for reasons 1.4 (b) a  
nd (d).

[1](#)1. (C) Emboffs delivered Ref A demarche on the recent  
Financial Action Task Force (FATF) decisions concerning Iran  
to Yaneth Arocha, Director of the MFA's Office of North  
American Affairs, and, separately, to Francisco Canela,  
Director of the Financial Intelligence Unit (UNIF) at the  
Superintendency of Banks (SUDEBAN) in the Ministry of Finance.

In reply, Arocha noted the BRV's long-standing position  
that Iran has a right to develop a peaceful nuclear energy  
program and that Iran's nuclear program was not a proper  
matter for the UN Security Council to discuss. She said that  
she would raise the content of the demarche with her  
counterpart in the MFA's Office of Multilateral Affairs.

[1](#)2. (C) Canela emphasized that Venezuela had laws and  
regulations to counter money laundering and terrorist  
financing which all financial institutions had to comply  
with. He said that the Iranian bank authorized by SUDEBAN to  
operate in Venezuela (ref B) had not yet opened because it  
had yet to complete all the required paperwork. Canela  
assured econoffs that the bank, should it open, would be  
subject to all of the BRV's laws and regulations. He noted  
that Venezuela was a member of the Egmont group and would not  
want to jeopardize its standing by not following its  
principles. Finally, Canela stressed that UNIF's work was  
not political ("it knows no flags") and that UNIF would  
welcome any opportunities for anti-money laundering training  
that the USG might be able to provide. Econoffs emphasized  
the heightened risks associated with transactions related to  
Iran, noting that the Treasury Department had issued a  
specific alert to that effect. Canela observed that UNIF was  
aware that transactions "related to countries that are  
sources of terrorism such as Palestine and Iraq" required a  
heightened level of due diligence. He added separately that  
UNIF hoped to sign a "bilateral cooperation" MOU with FINCEN  
in the next 15 days (ref C).

[1](#)3. (C) Comment: Arocha's and Canela's replies were what we  
expected given Chavez' determination to develop a strategic  
relationship with Iran. Arocha spoke from a more political

perspective, reiterating the BRV's policy on Iran's nuclear program. Canela spoke from a technical perspective, attempting to reassure econoffs that the BRV's laws and regulations against money laundering and terrorism finance were comprehensive and would be implemented objectively and in accordance with its international obligations. Despite repeated mention by econoffs of the heightened risks posed by Iran, however, Canela did not show any inclination to develop special guidance on Iran-related transactions. End comment.

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